Summer 2004

CALIFORNIA PARTNERSHIP NEWS

A PROGRAM OF THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES

Visit our Web site at www.dhs.ca.gov/cpltc.

IN THIS ISSUE:

PARTNERSHIP GAINS PERMANENT STATUS!

Great news!!!! As we celebrate the **10 YEAR** anniversary (1994-2004) of the California Partnership for Long-Term Care, we also celebrate it's change in status from a pilot project to a permanent State program with the Governor's signature on Senate Bill 1103.

In the next 10 years, with the help of our Partner insurers and agents, we hope to help thousands more Californians plan for and finance their future long-term care costs. With private insurance, they will not feel the need to artificially impoverish themselves or sign away their life's savings to qualify for Medi-Cal. Additionally, Californians will be secure in their long-term care choices; be able to maintain their independence; and avoid the loss of dignity associated with relying on the government to pay for their long-term care. Private insurance will help to ease Medi-Cal's long-term care burden as the baby-boomer generation ages and is in need of long-term care services.

Please stay tuned for more information on events and publications celebrating our permanency and 10 year anniversary. It is going to be an exciting second decade.

A Message From the Acting Director

Brenda Bufford

As some of you may be aware, Sandy Pierce-Miller retired July 1 to spend more time gardening and traveling with her husband. We deeply appreciate her many years of service to the Partnership and wish her well during her retirement. (To read excerpts from her retirement letter, please see page 7.)

Based largely on Sandy's dedication, determination, and leadership, and with support from all of you, it is with great pleasure that I announce that the Partnership is now a **permanent State program**. By becoming permanent, we will continue educating California consumers on the risks of needing long-term care and providing support and education to agents who market Partnership policies.

Furthermore, the Partnership issued an Invitation to Participate (ITP) seeking a company to develop and market a direct mail campaign (DMC). The successful proposer will design and provide access to a DMC through the use of so-

(continued on page 7)

Why Care Management?

As our society continues to grow older, how long-term care services are identified and put into place will only grow in importance. One way the Partnership addresses this issue is with the mandatory Care Management component in Partnership policies.

Care Management is a collaborative process which assesses, plans, implements, coordinates and monitors an individual's care to meet their specific needs. This is accomplished through communication and the identification of all available resources that promote quality, cost-effective outcomes and enhance the health and well-being of the individual.

On the following page is a recap of the Care Management/Coordination ses-

(continued on page 2)

sion presented at the May 19, 2004 Agent Training Seminar by Nancy Williams, Senior Director at Evercare Connections. Evercare Connections is an approved Care Management Provider Agency (CMPA) for Partnership policyholders.

Introduction

The CMPA's employ care coordinators, who are licensed RN's and social workers skilled in completing face-to-face assessments and at navigating the complexities of care systems. Care coordinators also have expertise in leveraging all payor sources and acting as patient advocates.

Why Care Coordination?

- To enhance health and well-being and preserve dignity
- To provide peace of mind for families
- Cost-effective for the insured
- Eases stress and complications from transitions
- Helps to avoid crisis planning
- Focus is on prevention and proactive planning.

Care Coordination Values/Standards

Centered on the Individual - People come first. They have a right to the highest quality of life as they define it. Care decisions are based on this right.

Compassion - Decisions and actions are directed first and foremost by an understanding of the client's circumstances and choices. Actions and communications reflect genuine compassion and benevolence toward clients.

Respect - Care Coordinators demonstrate personal concern and consideration for vulnerable individuals and treat them accordingly. Internal and external relationships are built on trust, respect, and mutual support.

Excellence - Care coordinators are accountable to deliver only the best. Excellence is the standard by which success is measured.

Integrity - Honesty, sincerity and fairness in all interactions is the standard.

Geriatric Principles

The geriatric principles of a care coordinator are: preserve the dignity of the elder; preserve and maintain the independence of the elder; focus on prevention; and promote collaboration and communication with all stakeholders. Care coordination is not gatekeeping and is not utilization management.

The care coordination approach is to begin with the following assessments:

Medical Assessment

- Undiagnosed/Misunderstood preventative health practices
- Client appearance/Behaviors
- Symptoms (not yet addressed)
- Cognitive status
- No physician or Multiple physicians
- Nutritional status
- Multiple medications
- Severe pain

Social Assessment

- No support/Isolation
- Caregiver burnout
- Abuse, neglect, exploitation

Behavioral/Emotional Assessment

- Social isolation
- Depression/Delusional/Dementia
- Drug/Alcohol misuse

Spiritual Assessment

- Ability to connect with spiritual sources
- Home visits by a pastor or lay pastor

Environmental Assessment

Fall assessment

- Medications
- Impaired balance/History of dizziness
- Falls in last 12 months
- Timed "Up and Go" test

Home Safety

- Fire/Exit
- Bathroom & Bedroom
- Stove Use/Kitchen/Basement
- Careless smoking
- Lighting, clutter, safe food

Financial/Legal Concerns

- Inability to pay/manage bills
- Poor judgement
- No Advance directives
- No Current Will, Power of Attorney

Activities of Daily Living

- Bathing
- Eating
- Transferring
- Continence
- Toileting
- Dressing

Instrumental Activities of Daily Living

- Phone use
- Money management
- Medication management
- Shopping/ Transportation
- Cleaning/Laundry

Planning Stage

Following the assessment, the care coordinator moves into the planning stage. This step includes:

- Development of a realistic plan
- Locating resources
- Identifying all payors
- Collaboration and communication

Implementation/Delivery Stage

After all planning activities are completed, the care coordinator begins implementation. This stage includes:

- Implementation of the Plan of Care
- Follow-through
- Collaboration (physician, family, other providers, home care, payors, parish nurse, etc.
- More communication.

In Conclusion

Care Management, or more specifically, the care coordinators, provide consistent ongoing monitoring. They proactively address issues, ensure continued collaboration, and keep the lines of communication open for the benefit of the person receiving the care.

MetLife Employer Offering

The following is a summary of MetLife's presentation, by Lucia Bryson, at the Agent Training Seminar.

In the near future, MetLife will be offering Partnership certified LTCI products through an employer offering targeting small (50) to mid-sized (up to 3,000) California businesses. The goal of this offering is to encourage the purchase of Partnership certified policies by the 7.8 million employees/retirees and their families in this target market.

This offering will enable employees to purchase, on a discounted basis, a Partnership certified policy, with coverage equal to the amount of assets they wish to protect, that prevents or delays their dependence on Medi-Cal. This offering also allows an employer the opportunity to provide a perk at little or no cost to the employee (at their option) and receive a tax deduction if employer paid (if the company qualifies). This added benefit also helps to demonstrate to their employees that they are responsive to their workers needs.

MetLife Training

Training will be provided to MetLife authorized agents. This training will include:

- Product training
- Multi-Life Program Process
- Product sale to the employer.

Meetings are anticipated to begin in the near future.

Employer Multi-Life Discount Programs

- Employer Paid - Modified Underwriting (5% Discount)
- Employer Paid - Simplified Underwriting (10% Discount)
- Voluntary Paid - Modified Underwriting (5% Discount)
- Voluntary Paid - Simplified Underwriting (5% Discount)

The Discount Program must be selected during the case review process. An employer can have two discount programs established; i.e., Employer Paid (executive carve-out) and Voluntary. There may be ERISA implications depending on how LTCI policies are made available to the employees. Employers should consult their own tax and legal advisors for further information on potential ERISA implications.

Eligibility for Discount Program

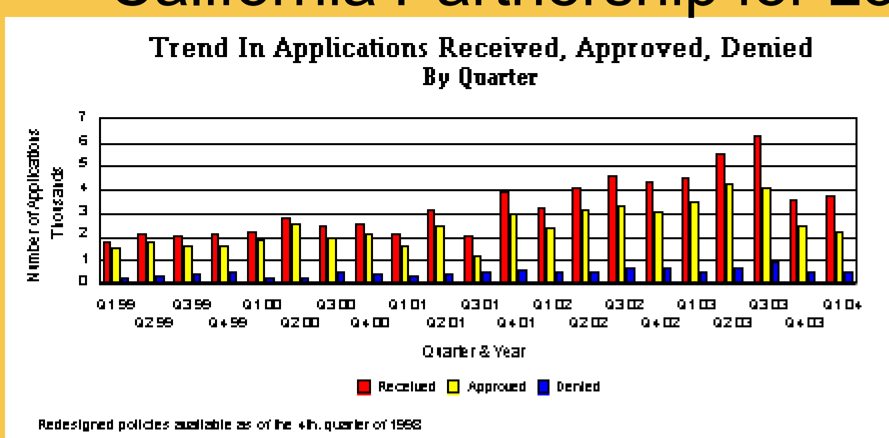
Individuals eligible for the Discount Program include employees and retirees, as well as their spouses, adult children age 18 and over, parents and parents-in-law (including step), and grandparents and grandparents-in-law. Age of eligibility ranges from 18 to 84. W-2 employees and employees who work 30 hours or more per week, qualify for simplified underwriting.

Modified Underwriting is available to all eligible participants. The minimum to consider for modified underwriting is 50 employees (voluntary) and 10 employees (employer paid). Requirements to continue the program for new hires is 10 insured lives within 12 months of approval date of a discount program (all eligible employees and family members count). Underwriting requirements include: APS ages 66-84, PHI ages 66-74, and face-to-face nurse interview age 75+. Medical questions are similar to those for an individual sale. A Preferred Health discount is available, and a Multi-Life application with "modified questions" is required.

Simplified Underwriting is available to employees age 65 and younger actively at work, and spouses 65 and younger, if the premium is paid by the employer. The minimum to establish a program is 10 employees (or a combination of 10 employees & spouses, if employer paid). The participation requirement is 10 insured lives (including family members). The participation timeline is 90 days from the approval date of the discount program. If 10 insured lives is not met in 90 days, participants must use modified underwriting. Maximum benefits are a 5 year benefit period and a $200 DBA (all other benefits are available). Five insurability questions will be asked, and

(continued on page 6)

California Partnership for Long-Term Care



Visit our web site at www.dhs.ca.gov/cpltc for 2003/04 sales statistics

The average age of the purchasers was **58**

58 % were female

76 % were married

99 % bought comprehensive policies

96 % were first-time purchasers

4 % bought one-year policies

15 % bought two-year policies

19 % bought three-year policies

22 % bought four-year policies

1 % bought five-year policies

39 % bought lifetime policies

SUITABILITY FOR LONG-TERM CARE INSURANCE

The following recaps the suitability portion of the Agent Training Seminar presented by insurance agents Steven Stauss and Denise Michaud.

Public Perception

People today are becoming more aware of the need for long-term care insurance (LTCI). However, they find the available information confusing; they desire more direction in understanding their choices; and they are generally more skeptical and suspicious. More than ever, it is important that agents consider suitability when marketing LTCI.

What is Suitability?

Suitability is the process of assuring that policy components are appropriate for a client's values and financial situation. Suitability is important because it boosts the client's confidence in the agent, produces the best value for the client, ensures client satisfaction, and hopefully leads to new business.

The Suitability Solution

The Suitability Solution is a four-part process, which includes human elements, financial factors, analysis, and agreement.

Human Element

The human element is learning what matters to the client. Take time to discover the client's values, goals and fears.

(continued on page 5)

Partnership Video

The new 8-minute marketing video is now available in DVD or VHS format and sells for $6 for 1-49 copies and $5 for orders of 50 or more. Order forms and an on-line version of the video are available at www.dhs.ca.gov/cpltc. Select Cable/DSL or Dial-Up depending on your Internet connection speed.

BANKRUPTCY RISING AMONG ELDERLY AMERICANS

BY TIM TAKACS

More and more older Americans are drowning in debt and turning to bankruptcy court for relief.

Although older Americans account for a small proportion of total personal bankruptcy filings, they are the fastest-growing group in bankruptcy. About 82,000 Americans 65 or older filed for bankruptcy in 2001, up 244% from 1991, according to the Consumer Bankruptcy Project, a study done at Harvard.

The United States Department of Justice, which runs the federal bankruptcy trustee program, released a study that painted a grim picture of the future for many older Americans.

According to the report, the average gross monthly income of an elderly debtor, $1,544, is more than one-third below the average for Chapter 7 debtors ($2,354). For the average elderly debtor, Social Security benefits are the main source of income.

"Although the elderly are less likely to file Chapter 7 bankruptcy than younger people, a significant number of them do file each year. The number of elderly filers is likely to grow in the coming years," the Justice Department report concludes.

The Justice Department found that most elderly debts have high concentrations of credit card debt, as opposed to high medical expenses, as one might expect..

A recent report from Demos, a New York-based public policy research group, found an alarming increase in credit card debt among older Americans.

"Conventional wisdom suggests that this segment of the population - with lifetimes of financial experience, an over 80% home ownership rate and a generational ethos of thrift - would be immune to the record debt increases of the 1990s," the report notes.

The Demos report, "Retiring in the Red," found that self-reported credit card debt among seniors age 65 and over increased 89% to $4,041, between 1992 and 2001.

Other key findings:

* Seniors between 65 and 69, presumably the newly retired, reported a staggering 217% increase in credit card debt to $5,884 over the same period.
* About 20% of households over 65 are in "debt hardship," with at least 40% of their income committed to debt payments.
* Having medical insurance - or not having it - made a major difference in credit card debt. Families in the 55 to 64 age range, for instance, had seen a credit card debt increase of 169% if they had no health insurance, but only 37% if they had health insurance.
* Credit card debt among "Transitioners," those aged 55-64, jumped 47% to $4,088 over the last decade. In fact, the average credit-card indebted family in this age group spends nearly one-third of its income on debt payments.

The Employee Benefit Research Institute (EBRI) found that American families with a family head age 55 or older had approximately the same level of debt payments relative to income and of debt levels relative to assets in 2001 as they did in 1992.

That's the good news. The bad news is that there has been an increase in the percentage of heavily indebted families - defined as those with debt payments exceeding 40 percent of income - especially for family heads in the two oldest groups (ranging from 5 to 10 percent of all near elderly and elderly families).

In terms of retirement security, EBRI's Dallas Salisbury noted that, on the whole, the new data is positive in that most older families did not appear to be overburdened by debt in 2001. But he warned: "This changing nature and level of family debt has obvious and serious implications for the future retirement security of many Americans. The major implication is more families having at risk what for many families is their most important asset: their home."

Republished with permission of Tim Takacs, Certified Elder Law Attorney, publisher of "Elder Law Fax."

(Suitability Solution continued)

Learn if the client will have informal support when long-term care is needed. What will be the caregiver's likely age, health, marital, and work status? Build a rapport with the client by asking open-ended questions that stimulate thinking, then strategize together. Listen and empathize with the client. Work at the customer's pace, build trust and be an advocate with a long-term view that is in the client's best interest. Use a questionnaire to make sure you ask all the necessary questions to build a personal profile and learn your client's goals, fears, concerns and values.

Financial Factors

Your goal as an agent is to preserve your client's lifestyle and protect their assets. To do this, you must take the time to learn your client's adjusted gross income and assets, as well as expenses. Don't overlook any nonessential expenses, short term expenses, income from assets and projected changes in income. Use a financial questionnaire to make sure you obtain sufficient information to design a suitable policy.

First, develop a strategy. Identify the key human elements already ascertained during your discovery period with the client. Calculate monies available for premiums, including future payment of premiums, by projecting income and expenses and segregating any couple's finances.

Analysis and Selection

Second, analyze the premium and determine a premium cap. Use the 7% of adjusted gross income, NAIC guideline. Look for discretionary income above 7% that might come from tax-deferred investments, and test for premium tolerance.

Third, select a policy type that reflects your client's preference. Determine whether a comprehensive policy or a facility-only policy is best, and which daily benefit is best. Be sure to select an elimination period that will work for the client, and analyze the inflation factor. Find the longest affordable period of coverage and run an illustration matrix.

Finally, test for suitability. Test policy design alternatives. Is the policy affordable for the client, including long-term affordability. Anticipate rate increases. Does the policy design address your client's wishes, values, concerns, and goals?

Agreement

Finally, relate the benefits of the policy to the values and financial situation of your client. Come to an agreement with the client as to the best policy design and confirm the suitability of the policy.

A Case Study

Let's take a look at a case study based on a real client. For reasons of privacy, we will call her Penelope Penniless.

During the initial interview, the agent learned that Penelope Penniless has no family and has the following concerns:

- She wants to be self-sufficient
- She does not want to burden her friends
- She is concerned about being vulnerable; and,
- She want to stay near her friends.

Penelope has the following financial issues: she has no assets, and she has only social security ($1,671).

Penelope - Analysis

Goal - To stay in the Community
Strategy - Enter facility as private pay
Premium cap - $117/month
Policy type - Facility only, Partnership
Elimination period - 0 days
Daily Benefit - $200
Inflation factor - 5% compound
Benefit period - 1 year

Premium Test

Initial premium is $108; premium cap is $117 (Social Security income increases @ 2% per year). Even though the premium may increase, it should stay within the client's range of affordability.

Policy Design Test

Penelope's Partnership LTCI policy:

- Facility Only - One Year
- Daily Benefit of $200/Lifetime $73,000
- 0 Days elimination period, IP

Does it meet her values? YES
Does it address her concerns? YES
Does it meet her goals? YES

The policy allows her to stay in the community and enter a facility as a private pay patient. A care manager will help her find a facility so she won't be a burden to friends. She will be able to enter the facility of her choice, and as an added bonus, Penelope will be able to save a year's worth of social security income. For the first time in her life she will have a savings account with $20,000 that is 100% protected and provides her with money to spend.

The Rest of the Story

Penelope's friend, a woman with a considerable amount of assets, was so impressed with the way the agent found a suitable LTCI policy for Penelope, she purchased her own comprehensive, lifetime policy from the agent. She also referred the agent to several other individuals. The moral of the story:

Suitability pays!

Medi-Cal Q & A

Question: In a domestic partnership arrangement, if the Medi-Cal partner owns a house (just in his/her name) and then dies, will Estate Recovery collect if the surviving domestic partner is residing in the home?

Answer: If the Domestic Partners have filed a "Declaration of Domestic Partnership" with the Secretary of State's office, the Estate Recovery Unit would treat this as a "Surviving Spouse" case and no claim would be presented until the death of the Surviving Partner. Without the "Declaration of Domestic Partnership" the Estate Recovery Unit would present a claim upon the death of the first partner. Heirs to the property would be given an opportunity for a Hardship Waiver. At the very least, alternate payment arrangements, secured with a lien, may be negotiated with the heir(s) to the estate property so that the surviving partner is not displaced.

(MetLife continued)

no APS, PHI or face-to-face is required. Standard rates apply and no preferred discounts are available. Employees over age 65 and/or applying for higher benefits, in addition to all family members, must complete "modified questions" on Multi-Life applications; and modified underwriting will be applicable.

Modified vs. Simplified Underwriting What to choose?

Simplified - the pluses:
- 5 insurability questions
- Jet Issue - ease of business
- Spouse can qualify if employer paid

Simplified -the negatives:
- Standard rates for everyone
- Benefit limits ($200 DBA/5 year B/P - all other benefits available)

Modified - the pluses:
- Reduced medical underwriting
- APS/PHI optional if under age 66
- All benefits available
- Preferred discount available

Modified - the negatives:
- Longer underwriting process
- Potential for more declines

Multi-Life Discounts

The discount is 5% to employees and eligible family members for the life of the policy. Applicants may qualify for preferred (modified underwriting only) and marital/spousal discounts. Employers may select modified or simplified underwriting. There is a 10% discount to employees and eligible family members if employer paid (partially or fully) and simplified underwriting is selected. Applicants can qualify for marital/spousal discounts only. No preferred discount is available.

Available LTCI Discounts
- Spousal - 30% when two spouses apply and are approved for coverage.
- Marital - 15% when only one spouse applies or both apply, but only one receives coverage.
- Preferred Health - 10% for applicants who meet specific underwriting criteria and are not part of a Simplified Underwriting Multi-Life Program.

MetLife Partnership Policies
- Two plans with an array of coverage options and features - Ideal Policy and Nursing Facility and Residential Care Facility Only Policy
- Tax Qualified under HIPAA
- Optional riders to enhance benefits and optimize the value of each policy
- Flexible payment options to suit every budget
- A Multi-Life discount program available to employees of small businesses and their families

Stay Tuned!

The CPLTC wishes to retract a statement made in the article, "Be Safe and Call SAIF" which was printed in our Spring 2004 Newsletter. We made the following statement: "The company is Estate Planning of California, or EPoC, which was formerly EPI-Estate Planning Inc." We have been informed that EPI-Estate Planning Inc. (EPI) is still in business but has ceased operations and a Board is overseeing its dissolution. EPoC is a new company founded by Dina Payne, one of the cofounders of EPI.

For more information, please call Seniors Against Investment Fraud (SAIF) at (866) 275-2677.

Continuing Education Information

These Continuing Education providers are approved by the Department of Insurance and the Department of Health Services. Each of these providers offer the training required by the Partnership.

The Partnership does not endorse any particular course. All courses must follow the outline developed by the Partnership.

Please call the providers below for their list of scheduled classes or visit their websites for detailed information.

Tom Orr
Senior Insurance Training Services
670 W. Napa Street, Suite M
Sonoma, CA 95476-9998
Tel. (800) 460-7487
Fax (707) 939-9599
www.tomorr.com
Multiple instructors

Sandi Miley
Miley Education & Insurance
10420 Rancho Carmel Drive
San Diego, CA 92128
Tel. (800) 296-8440
Fax (619) 374-2004
Multiple instructors

Sandi Kruise
Sandi Kruise Insurance Training
PO Box 786
Bonita, CA 91908-0786
Tel. (800) 517-7500
Fax (619) 421-8171
www.kruise.com
Multiple instructors

(Acting Director's Message continued)

licitation letters signed by State officials. These letters will be made available to authorized Partnership insurance agents who meet special participation requirements. Initially, the DMC will be implemented under a controlled pilot. If successful, the DMC will be made available to all agents who meet the participation requirements. It is our hope that this effort will greatly increase the purchase of LTCI.

I know many of you are awaiting the rollout of the MetLife Partnership policies. The MetLife policies (employer and individual) are currently being reviewed. For specifics on MetLife's Partnership products availability to the market, please contact them directly at (888) 799-0902.

Enjoy the newsletter. This issue features recaps of the Agent Training Seminars. You will also find Medi-Cal Q&A, legislation updates, information on the Quarterly Report, and much more.

CALIFORNIA LEGISLATION

AB 2937 - Introduced by Joe Nation in February 2004. Would require Department of Health Services to collect against the estate of any decedent who purchased an annuity for the purpose of qualifying for Medi-Cal long-term care benefits, within 60 months of applying for such benefits.

AB 2044 - Introduced by Bonnie Garcia in February 2004. Declares intent of Legislature to enact a law to authorize credit for the amount paid or incurred by taxpayer for LTC or LTCI for any family member of the taxpayer.

AB 2102 - Introduced by the Assembly Budget Committee in February 2004. Would place additional restraints on the ability of individuals to transfer assets to qualify for Medi-Cal. Targets annuities, claims for third party liability, and trusts exempt under federal Medicaid law.

FEDERAL LEGISLATION

S 2077 - Introduced by Larry E. Craig of Idaho in 2/2004. Would amend Social Security Act to permit additional States to enter into LTC partnerships under the Medicaid Program in order to promote the use of LTCI. Referred to Senate Committee on Finance in 2/2004.

HR 4502 - Introduced by Lee Terry of Nebraska in 6/2004. Would amend Internal Revenue Code of 1986 to provide that distributions from an individual retirement plan, a section 401(k) plan or a section 403(b) contract shall not be includable in gross income to the extent used to pay LTCI premiums. Referred to House Committee on Ways and Means in 6/2004.

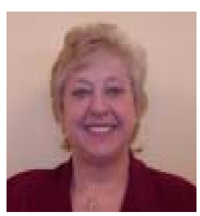
S2533 - Introduced by Barbara A. Milulski of Maryland on 6/2004. Would amend Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention. Referred to Senate Committee on Finance 6/2004.

Partnership Quarterly Report

The Quarterly Report is a valuable source for tracking Partnership policy sales trends. Each report highlights the following:

- •Quarterly & Cumulative Sales Statistics
- •Benefit Amounts Purchased
- •Elimination Periods
- •Age of Policyholders
- •Trends In Applications Received, Approved and Denied
- •Policyholders & Earned Asset Protection
- •Service Utilization

The Quarterly Report is available at www.dhs.ca.gov/cpltc/html/agent_pages/publications.htm



Dear Agents:

I want to take this opportunity to thank you for the support you have given me and the California Partnership for Long-Term Care and to announce that I will be retiring as Project Director of the Partnership as of July 1, 2004.

I did not want to leave without knowing that the Partnership program will continue to help and educate people. With the Governor's proposed legislation removing the December 31, 2004 sunset date and both the Assembly and Senate budget committees giving unanimous support for the permanency of this program, I am confident that the program will continue without me.

Sandy

To read the complete letter, go to www.dhs.ca.gov/cpltc/PDF/Miscellaneous/Retirement_letter.pdf

Presorted
First Class
U.S. Postage
PAID
Permit No. 2811
Sacramento, CA

CALIFORNIA PARTNERSHIP NEWS

A PROGRAM OF THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES

CALIFORNIA PARTNERSHIP NEWS is published biannually by the California Partnership for Long- Term Care as an educational service to agents and brokers.

PARTNERSHIP STAFF:

Brenda Bufford, Acting Director
Raul Moreno, Research Program Specialist
Keith Parsley, Analyst
Jack Sanders, Analyst
Ronalee Wilkerson, Analyst
Randy Hobson, Office Technician

For more information:
California Partnership for Long-Term Care
MS 4100
PO Box 997413
Sacramento, CA 95899-7413
(916) 552-8990
(916) 552-8989 Fax
Web site: www.dhs.ca.gov/cpltc

PARTICIPATING INSURERS:

Bankers Life and Casualty
(888) 2828-BLC

CalPERS Long-Term Care Program
(800) 205-2020

GE Financial Assurance
(800) 354-6896

John Hancock Life Insurance Company
(800) 377-7311

New York Life Insurance
(800) 224-4582

To be removed from our mailing list, please e-mail your request to cpltcas@dhs.ca.gov or call the Partnership at (916) 552-8990.

News In Brief...

AEGON LTC getting out of LTC Insurance
Over the next 9 months, all three AEGON LTC insurance companies (Monumental Life, Life Investors, and Transamerica) will no longer sell LTC insurance.

Farm Bureau Life Ins. Co. will offer John Hancock's LTCI product
John Hancock Life Insurance Company announced a partnership with Farm Bureau Life Insurance Company, enabling its agents to offer John Hancock's long-term care insurance products, Essential Care II and Custom Care II. SIA Marketing will provide marketing support to Farm Bureau Life's sales force.

AARP & National Alliance for Caregiving Release New Study
The AARP & the National Alliance for Caregiving released a new study, *Caregiving in the US*. This study provides new statistics on caregivers, as well as those who receive care. Data has been broken down into ethnic subgroups. For a copy of this study, go to www.caregiving.org.

US Congressional Budget Office Long-Term Care Study Available
The study entitled, "Financing Long-Term Care for the Elderly," April 2004, is available at www.cbo.gov . The following are a few excerpts from the report "Summary".

In 2004, spending from private LTC insurance, which is a relatively new insurance product, is expected to account for about $6 billion, or 4 percent, of total LTC expenditures. (p. x)

Private insurance could be made more attractive to consumers by . . . taking steps to remove or lessen what is sometimes termed Medicaid crowd-out - the dampening effect that the availability of Medicaid's LTC benefits has on sales of private LTC insurance policies. (p. xiii)